



Plan Summary

457 and 401(a) Plans

	457 Employee Contribution Plan	401(a) Employer Match Plan
Eligibility	<ul style="list-style-type: none"> ▪ Permanent or probationary executive, judicial or legislative branch employee who is regularly scheduled for 20 or more hours of work per week or who has a fixed annual salary, except employees of the board of regents' institutions. 	<ul style="list-style-type: none"> ▪ An employee who contributes to the 457 plan is automatically eligible, except legislators.
Enrollment	<ul style="list-style-type: none"> ▪ Contact an active investment provider (AIG VALIC, Hartford, ING Financial Advisers, & Nationwide) and request enrollment information and forms. Return all completed paperwork to the provider. 	<ul style="list-style-type: none"> ▪ Account is established with active 457 provider
Contributions	<ul style="list-style-type: none"> ▪ Employee Only ▪ Minimum limit - \$25 per month ▪ Maximum limit – the lesser of 100% of compensation or \$15,000 for 2006 	<ul style="list-style-type: none"> ▪ Employer Only ▪ Match Benefit – The State pays your match account \$1 for every \$2 you contribute monthly up to the maximum match amounts ▪ Maximum amount - \$50/mo (AFSCME, non-contract, SPOC employees) or \$25/mo (UE/IUP employees – increases to \$50/mo in 2007)).
Catch-Up Provisions	<ul style="list-style-type: none"> ▪ 3-Year Catch-Up - For those nearing retirement, you may contribute up to twice the maximum limit shown above. ▪ 50+ Catch-Up - For those age 50 and older, you may contribute the maximum limit shown above plus \$5,000 for 2006 	<ul style="list-style-type: none"> ▪ No Provisions
Rollovers into plan	<ul style="list-style-type: none"> ▪ Rollovers accepted from eligible 457 plans. 	<ul style="list-style-type: none"> ▪ Rollovers accepted from 401(a); 401(k); 403(a); 403(b); 408(a) and 408(b) including traditional, rollover, and SEP IRAs.
Federal and State Income Taxes	<ul style="list-style-type: none"> ▪ Exempt until funds are distributed 	<ul style="list-style-type: none"> ▪ Exempt until funds are distributed
Vesting	<ul style="list-style-type: none"> ▪ Always fully vested & non-forfeitable 	<ul style="list-style-type: none"> ▪ Always fully vested & non-forfeitable

Investment Provider Options	<ul style="list-style-type: none"> • New accounts may only be opened with the active investment providers (AIG VALIC, Hartford, ING Financial Advisers, & Nationwide). Beginning July 1, 2006, all future contributions (employee and employer) must be sent to one of these active providers. • Inactive providers will no longer receive contributions after June 30, 2006. 	<ul style="list-style-type: none"> • Accounts may only be opened with the active investment providers (AIG VALIC, Hartford, ING Financial Advisers, Nationwide). • Contributions to the 401(a) must be invested with the investment provider receiving your 457 contributions.
Modifications to Account	<ul style="list-style-type: none"> • Increase, decrease or suspend contributions – complete State form • Change name or address– <ul style="list-style-type: none"> - terminated employees - contact RIC - active employees - contact personnel assistant and provider • Change beneficiary designations - <ul style="list-style-type: none"> - Active Provider accounts – contact the provider - Inactive Provider accounts – complete State form • Transfer to Provider within the plan – contact receiving provider. 	<ul style="list-style-type: none"> • Change name or address– <ul style="list-style-type: none"> - terminated employees contact RIC - active employees contact personnel assistant • Change beneficiary designations - contact the provider • Transfer to Active Provider within the plan – contact receiving provider.
Financial Hardship (Unforeseen Emergency)	<ul style="list-style-type: none"> • You must have proof of a financial hardship due to an unforeseeable emergency. You may apply for this hardship while still employed. 	<ul style="list-style-type: none"> • Not available in this plan
Other In-Service Withdrawals	<ul style="list-style-type: none"> • If your account value does not exceed \$5,000 and you have not made deferral contributions for a 2-year period, you may withdraw the balance of the account while still employed. 	<ul style="list-style-type: none"> • Not available in this plan
Purchase of Permissive Service Credits – while employed	<ul style="list-style-type: none"> • You may request that all or a portion of the account be transferred to an eligible retirement plan (e.g. IPERS) for purchase of permissive service credits. 	<ul style="list-style-type: none"> • Not available in this plan
Loans	<ul style="list-style-type: none"> • Not available in this plan 	<ul style="list-style-type: none"> • Not available in this plan
Distribution Options upon Severance from Employment	<ul style="list-style-type: none"> • Lump Sum withdrawal • Lifetime Periodic installments • Systematic withdrawal payments • Any other form offered by provider and approved by RIC 	<ul style="list-style-type: none"> • Lump Sum withdrawal • Lifetime Periodic installments • Systematic withdrawal payments • Any other form offered by provider and approved by RIC

IRS Early Withdrawal Penalties	<ul style="list-style-type: none"> • None apply to this plan. 	<ul style="list-style-type: none"> • 10% penalty may apply if money is distributed to you before age 59½.
Rollover Options	<ul style="list-style-type: none"> • Plan may roll to a 401(a); 401(k); 403(a); 403(b); 408(a) and 408(b) including traditional, rollover, and SEP IRAs. 	<ul style="list-style-type: none"> • Plan may roll to a 401(a); 401(k); 403(a); 403(b); 408(a) and 408(b) including traditional, rollover, and SEP IRAs.
Requests for Distribution	<ul style="list-style-type: none"> • Inactive Provider accounts – complete State paperwork (and provider paperwork if required). • Active Provider accounts –complete provider paperwork. 	<ul style="list-style-type: none"> • Complete provider paperwork.
Minimum Distribution Requirements	<ul style="list-style-type: none"> • Distributions must begin no later than April of the calendar year following the year you attain age 70½ or are no longer employed, whichever is latest. 	<ul style="list-style-type: none"> • Distributions must begin no later than April of the calendar year following the year you attain age 70½ or are no longer employed, whichever is latest.
Tax Withholding	<ul style="list-style-type: none"> • Taxes withheld from distributions will be reported on Form 1099-R 	<ul style="list-style-type: none"> • Taxes withheld from distributions will be reported on Form 1099-R

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